

SALMON RECOVERY FUNDING BOARD

MINUTES - REGULAR MEETING

January 5 & 6, 2006

Red Lion Hotel, Evergreen Ballroom
Olympia, Washington

Day 1

SALMON RECOVERY FUNDING BOARD MEMBERS PRESENT:

William Ruckelshaus, Chair	Seattle
Brenda McMurray	Yakima
Steve Tharinger	Clallam County
Larry Cassidy	Vancouver
Jim Peters	Olympia
Dick Wallace	Designee, Department of Ecology
Tim Smith	Designee, Department of Fish and Wildlife
Stu Trefry	Designee, Conservation Commission

CALL TO ORDER:

Chair William Ruckelshaus called the meeting to order at 8:44 a.m.

REVIEW AND APPROVAL OF AGENDA:

Chair Ruckelshaus reviewed the agenda. He reminded the Lead Entities that in order to get through the afternoon's testimony we would need to stick to the ten-minute time limit.

Director Johnson asked the Board to provide staff with enough guidance by the end of the day, to assist them in preparing information for day-two decision making.

PARTNER AGENCY REPORTS:

Dick Wallace, Department of Ecology, brought two maps for the Board's information to show Ecology's work on watershed planning and instream flow work.

Tim Smith, Department of Fish and Wildlife, informed the Board that WDFW would be conducting interviews for the Lead Entity Coordinator position. WDFW will be interviewing nine people. Eric Netherland will be replacing Marnie Tyler's position, as she is leaving the agency at the end of the month. WDFW is also working on technical assistance to help with overall project management with salmon recovery projects. They are coordinating funding sources and potential projects in the various areas and will also be hiring a coordinator for this position. WDFW will come back in early spring to report on the progress of this project.

Stu Trefry, Conservation Commission, is working closely with the forty-seven Conservation Districts, especially the Puget Sound watersheds, preparing for the new

Puget Sound salmon recovery initiative. Stu will be the staff member working on this issue. Stu passed out the 2005 accomplishment report from the Conservation Commission and each of the forty-seven Conservation Districts.

Director Johnson reported that Craig Partridge is unable to attend today due to agency priorities. He has read all of the notebook materials and provided verbal comments to Director Johnson on a few topics. If possible he will stop into the meeting as time allows.

APPROVAL OF DECEMBER 2005 MEETING MINUTES:

Larry Cassidy **MOVED** to approve December 2005 meeting minutes. Steve Tharinger **SECONDED**. Board **APPROVED** minutes as presented.

Chair Ruckelshaus highlighted the list of criteria to be used for the 3rd increment funding on page 5 of the minutes.

LEGISLATIVE AND CONGRESSIONAL UPDATES:

Jim Fox and Director Johnson presented this agenda item.

Director Johnson noted that there is little to say at this time. The Washington State Legislature begins on Monday, January 9, 2006. The Federal 2006 budgets have been approved although a 1% reduction on all federal programs has been put in place.

Chair Ruckelshaus discussed the need to go back to Washington DC in late February 2006 or early March 2006 to discuss Salmon Recovery Funding. This last year, although salmon recovery funding has gone down, Washington received the same level of funding due to our processes and monitoring of projects. SRFB has been able to show the work being done and that we are following the rules Congress set forth.

GOVERNOR'S SALMON RECOVERY OFFICE (GSRO) REPORT:

Chris Drivdahl presented this agenda item.

Chris noted that the GSRO budget expires June 2006. The Governor has submitted a supplemental budget request to the Legislature to continue the office for one more year. The office is preparing a publication for the Legislature and Congressional Delegation that will summarize the contents of the recovery plans.

Chris reviewed a letter to Chair Ruckelshaus outlining the GSRO's view of regional recovery plans.

Brenda McMurray noted a letter from the Yakima Regional Recovery Board and asked whether they are considered a region for the 2% allocation, or are they just a Lead Entity?

Chris reported that their regional plan was not ready for submission at the time but they are a region and should be rewarded. They do have a portion of the Evolutionary Significant Unit area out of the region.

Steve Tharinger asked for assistance on the Issues Task Force (ITF). Chris noted that she volunteered to take part in the ITF.

Chair Ruckelshaus asked about the ranking coming from a regional board instead of per lead entity, where the region covers several lead entity areas (i.e. Puget Sound and Upper Columbia).

Chris does believe, on a technical basis, the projects do need to be ranked on a regional basis.

Dick Wallace believes this gets us to the "what are the roles" of the regional groups and lead entities, which will be a major topic for the next grant round. We can't leave the individual lead entities out but we also need to get to the regional level in the next round. This is a major challenge and is complicated.

LEAD ENTITY ADVISORY GROUP (LEAG) REPORT:

Doug Osterman presented this agenda item.

LEAG is looking forward to the discussion on the 7th round tomorrow and is gearing up for the ITF process.

2005 GRANT ROUND REPORT - INTRODUCTION:

Neil Aaland provided an overview of the process.

There is approximately \$26 million for allocation in this grant round.

This year's changes included: Recognizing the role of regional recovery plans. Extended the deadline for lead entities to submit applications from July 15 to September 30th to provide more time to develop projects.

All but two lead entities took advantage of the project review process and about half requested field visits.

Chair Ruckelshaus asked about some objective ways to fund individual projects that do the most good for the fish. The Board needs to make sure that staff looks at this issue and brings back options for the Board. He would like to add the amount of the gap between what is being funded to round up a project.

The Chair believes that topping off is at the Board's discretion. He would like a printout of the criteria listed in Neil's presentation, the list from the December 2005 minutes, and

additional guidance provided by the Board this afternoon before giving additional direction to the staff.

Tim Smith also asked that when staff put criteria forward, that it be in priority order.

Steve Tharinger wasn't sure the list in the minutes was a complete list of the criteria discussed at the December meeting.

Director Johnson reported that the minutes do reflect the list presented at the last meeting.

Larry Cassidy asked about the criteria, looking at projects of concern (POC's) where it says the Board did not agree, but there has been additional information added.

Director Johnson reported that although it says "Board did not agree" better wording may have been "no agreement reached."

Brenda McMurray did not recall the list being in priority order. Staff agreed that the list was not in priority order.

2005 GRANT ROUND REPORT – REVIEW PANEL EVALUATIONS:

A panel consisting of Scott Nicolai, Phil Peterson, Steve Toth, Tom Robinson and Steve Leider presented this agenda item. (See notebook item #7 for details.)

Chair Ruckelshaus thanked the Review Panel for their work on this grant round.

Steve Leider introduced the panel and noted the panel members who were unable to attend today's meeting. This year's panel consisted of Jeanette Smith, Will Hall, Tom Robinson, Steve Toth, Pat Powers, Tom Slocum, Scott Nicolai, Phil Peterson, Paul Schlenger, and Steve Leider. Steve Leider also reviewed the process used in this grant round.

The Board would like to have a summary of when the Review Panel met with different Lead Entities and the review steps for the POC's.

This round:

- Recovery Plans were not evaluated
- Extra panel efforts were made to compare for consistency of ratings statewide (the Review Panel encouraged this step to be included in the next grant round as it was very helpful)
- Rating narratives helped to explain why a higher rating was not received based on SRFB criteria and definitions of "excellent"
- The "excellent" standard, while very high, does not mean that there is no room for improvement

Fit to Strategy

Ratings for fit-to-strategy were provided for all 25 of the lead entities that submitted a project list.

- *Actions and Geographic Areas* – all lead entities ratings were calibrated to the “excellent” rate. “Excellent” requires all projects reflect the highest priorities.
- *Fit of Project Ranking* – reflects a balance of technical and non-technical considerations.

Larry Cassidy asked what a non-technical consideration would be.

Steve reported that it could be socio-economic or community issues that are hard to rate in a technical manner. Ratings may vary between years depending on project lists, even if a strategy or plan is unchanged.

Chair Ruckelshaus thanked Steve personally on his work with the Review Panel.

Tom Robinson echoed the Chair’s thank you to Steve Leider. If not for Steve he would be hesitant to sign up for this process – Steve pulls it all together. This is Tom’s second year on the panel and he believes the process improved this year. He appreciated the Technical and Review Panel being pulled into one team. Tom reported that it was not the Review Panel’s job to make the decision but to help the Board in its decision-making process.

Steve Toth has now served on the Panel for four years. He is focused mainly on the technical merits of the projects rather than the strategy end of things, although he did review strategies also. This round was one of the most difficult; many projects were constrained. He would like to find a way for the Review Panel to be involved in the development of the projects, not just evaluate the projects but help with the technical development and placement of the projects.

This is the first year that Phil Peterson has been on the Panel so he brings a different perspective than Steve Toth but does echo some of his comments on the process. He found some lists to have very different projects next to each other. How federal recovery plans and local efforts mesh is yet to be determined. He believes there is much work to be done to focus on the lists and the recovery efforts. If everything on the list is a high priority then you don’t have any priority. It was bold moves that got us into this situation and it will take bold moves to get us out of the situation. Another issue is the role of programmatic protections.

Scott Nicolai served in the fourth round also. Improvement this year was ability to meet with project sponsors before submittal of projects. He found projects of concern difficult because there is no clear differentiation between POCs and other projects. He can only identify projects that fail. There are projects that have limited benefit to salmon. In the future, he would like to have a measuring stick to evaluate projects benefit to salmon

within and across lead entities. He suggests the need to have a workshop for successful projects and successful strategies.

Chair Ruckelshaus provided his thoughts on the comments provided by the Review Panel members.

Larry Cassidy noted that there are 16 POCs and half were from one lead entity. This lead entity has the first regional plan presented and accepted by the Federal Government. What are they doing wrong?

Steve Leider responded that the process doesn't answer that question but reviews the individual projects. The Lower Columbia Recovery Funding Board wasn't available to review the projects up front and there is a possibility that this may have lessened the likelihood of POCs along the way. The early September 2005 meetings were a chance to provide field trips and see the projects before they are submitted on the list. Those lead entities that took advantage of this process seemed to have fewer POCs.

Brenda McMurray believes it is important to include a report back to the Board with an evaluation of each step of the process and outcomes. Last year the Yakima group didn't go through this step and their list had several projects of concern. The three lead entities this round with projects of concern didn't take advantage of this step.

Director Johnson noted that there was also several assessments on the lists and that may be part of the problem.

Larry appreciates the work the Panel does and knows this is a very hard job. He would like to hear from other panel members on why they believe this list had so many POCs as he would like to help them to get back on track.

Steve Toth commented that there is a difference between the work the lead entity does and the projects on the list. Some of the projects were in areas that it was hard to see whether the project was for the benefit of salmon or protecting of infrastructure.

Phil Peterson commented that he wants to make sure the Board understands that there was not a penalty for not attending the early meetings, it just made the Review Panel's job that much harder.

Tim Smith noted that at the beginning of the process there was an ideal that if you asked a scientist what was best for fish they would come up with the same list. He believes it may be a good time to have a transfer of technical expertise through a workshop.

Director Johnson noted that staff has been discussing a sponsor workshop.

Dick Wallace thanked all the Review Panel members for their work this round. There is good and bad news; strategies are getting better and the number of POCs decreased over the process. He is intrigued about the comments on the programmatic areas.

Tom Robinson commented, that all regional plans are not created equal and neither are lead entities. This creates an uneven playing field. He is not sure how the Board handles this but it is a problem and a real problem.

Brenda asked about the use of the "excellent" rating. She thanked the Review Panel for its work.

Steve Tharinger also thanked the review panel. He would like feedback on how the Board can incorporate the regional and sub regional plans in future grant rounds.

Jim Peters wanted to reemphasize his support of the review panel process. He appreciates the fact that each year the Review Panel brings issues to the Board. He has talked to several Lead Entities that had fewer projects on the list and the feedback that he received is that they are still working on projects from a year or two back.

Steve Toth has heard that comment, but has heard that same comment every year and it seems like it is more cyclical by lead entity than statewide.

Jim Peters reported the other comment he has heard is that even working through the projects through early action doesn't take care of all the POCs but it does help out other projects.

The Chair asked that the Review Panel provide comments back to the Board and suggestions on how to make the process better, keeping in mind that many of the criteria the SRFB follows are set by the Legislature and under WDFW's purview. He would like the panel to address:

- How would you change the Review Panel's role to be better for the fish?
- What does the Panel need from the Board to make its job easier, more relevant or better?
- What can the Board do to make the Review Panel's input to the Board better?
- What are the areas the Board needs to define or clarify to make the Panel's job easier?

2005 GRANT ROUND REPORT – STAFF REPORT:

Funding Allotment Discussion –Jim Fox presented this agenda item with assistance from Mark Jarasitis. (See notebook item #8 for details.)

Jim said the first increment, roughly 35 percent, would be based on formula. The second increment, roughly 53 percent of the funding will be based on project list and strategies. The third increment, roughly 12 percent, would be based on geographic

scope and funding partially-funded projects. Jim discussed how lead entities could be grouped. He also discussed recommended funding levels for each group.

Mark Jarasitis reviewed the funding and lead entity lists with options A and B.

The Board needs to decide whether to go with option A or B and criteria to use for the third increment and amount to set aside. Staff needs as much guidance as possible before the end of the day.

Tim Smith would be interested in one additional piece of information, what the gap is to finish funding on the cusp projects. Mark reported that staff would be able to get this information for the Board.

Steve Tharinger asked if the Board funded all the partial projects, how much that would cost. Mark will get the exact number for the Board but it is about \$7 million, which is more than is available for this increment.

Larry Cassidy isn't sure how the Board can make a decision on partial funding. It will be very complicated to figure out what partial funding would do. It may be better to set funds aside for future projects and not partially fund.

Dick Wallace had suggestions on different ways to split out the funding depending on the portion to fund and match amount.

Chair Ruckelshaus reviewed the public testimony process highlighting the need to keep to the ten-minute time limit per lead entity.

Lead Entity Comments:

Yakima River Basin Salmon Recovery Board

Richard Visser provided testimony for the Yakima River Basin Salmon Recovery Board. This group has nine projects on its list requesting \$2,752,195 in funding. There were no projects of concern (POCs) on this list.

Richard reviewed their process noting that last year they were in the last group and could be in the A group this year. They have concerns with the definition of a recovery region. They are concerned that they were not identified by the Board to receive the additional funding under the regional recovery effort.

Richard would like the Board to fund down to the fifth project. Funding of the fourth and fifth projects would open up an additional eight miles of quality habitat.

Chelan County

Mike Kaputa, Linda Evans Parlette, Bill Way and Frank Clark provided testimony for the Chelan County Lead Entity. This group has nine projects on its list requesting \$1,241,031 in funding. There was one project of concern on this list.

Mike noted that comments from the Review Panel stated that there were no projects on the list under the Tier 1 watershed. He reported that there are several projects being done in this area but being funded through other funding sources.

As for the POC, the issues brought up by the Review Panel were issues that will be taken care of through the permitting process.

Mike would like to see Chelan County moved up to the second group and funded through project seven. He would also like to see the Beebe Creek project fully funded. Moving Chelan up to the second group would fund the two additional projects.

Bill Way provided an overview of the Beebe Creek project.

Senator Linda Evans Parlette thanked the Board for the time spent on this Board. She has watched the process from the beginning and urged the Board to fund the Beebe Creek project.

Frank Clark provided an overview of the community support.

Snake River Salmon Recovery Board

Steve Martin, Kathy Schafer, and Juli Post provided testimony for the Snake River Salmon Recovery Board. This group has twelve projects on its list and is requesting \$1,665,786 in funding. No projects of concern are on this list.

Steve thanked the Board for the open process and for providing the additional regional recovery region funding, although there is not enough for the amount of work it takes to evaluate and rank projects across a region. He would like to see the Board get to a regional process giving the Board only six lists to look at versus twenty-six different lists.

Kathy Schafer provided her thoughts on the salmon recovery process in the Snake River Region. They have a great citizen involvement process and are keeping the momentum going to keep the citizens involved. They are excited about this process.

Chair Ruckelshaus noted the good work and leadership in the Snake River Region.

Juli Post thanked all the SRFB members for the work they have done. They would like the earliest date possible for the start of the seventh round.

Director Johnson asked how this region is on projects and if they have willing project sponsors. Steve reported they do have willing sponsors.

Snake River Salmon Recovery Board requested full funding through project seven.

Klickitat County Lead Entity

Dave McClure provided testimony for the Klickitat County Lead Entity. This group has four projects on its list requesting \$1,415,570 in funding. There were no projects of concern on this list.

Dave is supportive of the Review Panel process and believes this process has been very helpful in finding the best projects.

This group would like to be fully funded through the fourth project although partial funding is better than no funding at all. Project four is a critical project for them.

Okanogan County and Colville Tribe Lead Entity

Dennis Beich provided testimony for the Okanogan County and Colville Tribe Lead Entity. This group has nine projects requesting \$1,593,486 in funding. There were three projects of concern on this list.

This group requested full funding on the fifth project.

Pend Oreille Conservation District Lead Entity

Sandy Dotts and Bret Nine provided testimony for the Pend Oreille Conservation District Lead Entity. This group has five projects requesting \$774,603 in funding. There were no projects of concern on this list.

Option A or B works fine for them.

Sandy also reported that the Cedar Creek Dam has been successfully removed.

Quinault Indian Nation Lead Entity

John Sims provided testimony for the Quinault Indian Nation Lead Entity. This group presented five projects requesting \$869,504 in funding. There were no projects of concern on this list.

John provided a presentation of the Quinault projects.

This group requested funding at least through Paradise Pond, project number four. They would also suggest the Board fund the fifth project on the list.

John noted his concern with Steve Martin's comments on getting down to six lists for the state as this will not work for the coast.

Steve Tharinger asked why Quinault ranked the "nutrient assessment" project above Paradise Pond.

John noted that the nutrient placement could produce hundreds more fish with a greater scope of effect and was a scientific recommendation.

North Olympic Peninsula Lead Entity (NOPLE)

Selinda Barkhuis and Randy Johnson provided testimony for the North Olympic Peninsula Lead Entity. This group presented five projects requesting \$1,581,908 in funding. There were no projects of concern on this list.

Selinda discussed the geographic complexity of NOPLE and how although their strategy ranked in the top group last year, they were at the very bottom this year.

They disagree with the Review Panel rating for their fit of strategy to the list. This is the first year both their Technical Committee and Citizen Committee agreed with the prioritization of the list.

Steve Tharinger noted that the Review Panel discussed the rating of strategies. This year the Panel rated strategies statewide and although NOPLE's lead entity was excellent last year, when compared to the rest of the state they didn't rate as well this year. The other issue was the lack of projects with ESA listings.

Selinda responded that although they are the most complex lead entity they get fewer funds for doing their work and other lead entities received funding to work on their strategies over the last year. NOPLE has not received additional funds for this work.

Selinda noted that this group completely disagrees with receiving an 'F' for their strategy and should get a higher rating and get moved up. If they don't get moved up then they would like to get the third project fully funded. If the third project doesn't get fully funded then they would like to have their fourth project funded.

Randy Johnson reported that NOPLE is a very successful lead entity. This year they received a low rating on their strategy and they ranked Tier 2 watershed projects over their Tier 1 projects but there was a good reason for that.

Tim Smith noted that Selinda has done a very good job with the local process.

Steve Tharinger agrees that this is a very complex area with difficult issues. He would like to know where the Board is on skipping a project to fund an assessment.

Hood Canal Coordinating Council (HCCC) Lead Entity

Richard Brocksmith and Jay Watson provided testimony for the Hood Canal Coordinating Council Lead Entity. This group presented seven projects requesting \$2,092,883 in funding. There were no projects of concern on this list.

Richard provided a presentation on the HCCC list, recovery plan and lead entity work.

Jay provided some information on the Union River Acquisition project. All salmon related questions have been answered, there are still many concerns being voiced but he does not believe that any of the remaining concerns are related to salmon recovery or the HCCC process.

There are several people requesting public testimony on this project and we'll hear more at the end of the day.

Richard then reviewed the rest of the list and urged the Board to fully fund through the fifth project.

Brenda asked what they will do if they don't have broad community support on a project, how they plan to have a successful project?

Jay noted that this is a long-standing problem and he believes there is community support although those who are commenting against this project will disagree with this assessment.

Brenda noted that this Board is not a facilitating board but a funding board and would hope the local process would take care of these concerns before it comes before the SRFB.

Pierce County Lead Entity

Roy Huberd, Dan Wrye, Bruno Boil and Tom Cants provided testimony for the Pierce County Lead Entity. This group presented five projects requesting \$2,272,764 in funding. There were no projects of concern on this list.

Bruno Boil is requesting funding of the five projects on their list.

Tom Cants provided his thoughts on the Pierce County list and encouraged the Board to fund the five projects.

Dan Wrye referred to the letter sent to the Board.

Nisqually River Salmon Recovery Lead Entity

Jeanette Dorner provided testimony for the Nisqually River Salmon Recovery Lead Entity. This group presented three projects requesting \$1,667,783 in funding. There were no projects of concern on this list.

This is Jeanette's fifth year as the Lead Entity Coordinator for Nisqually River.

Jeanette reviewed the Nisqually River Basin plan and highlighted the three projects on the list. She urged the Board to fund the partially funded project.

Steve Tharinger asked if there is any conversion pressure on the acquisition projects.

Jeanette reported that there is a development plan in place. Although it is not high-density housing, housing is being proposed where previously it was forestlands.

East Kitsap Peninsula Lead Entity

Kathleen Peters, Paul Dorn, and Jason Lundgren provided testimony for the East Kitsap Peninsula Lead Entity. This group presented six projects requesting \$1,665,300 in funding. There were no projects of concern on this list.

Kathleen has been with the lead entity for five months now. She reviewed the first four projects on their list.

Jason defended the Rocky Creek Fish Passage project:

1. Strategically placed project
2. Tier one watershed
3. Watershed based approach to removing barriers: last barrier in this watershed
4. Strong partnership with the Pierce County, Conservation district, and Squaxin Island Tribe.

Mason Conservation District Lead Entity

Amy Hatch Winecka provided testimony for the Mason Conservation District Lead Entity. This group presented five projects requesting \$719,310 in funding. There were no projects of concern on this list.

Amy thanked the Board. Both options completely fund this list. She wanted to let the Board know what went well this round. They had the Review Panel and their Lead Entity Committee make site visits very early in the process. This was very beneficial.

Thurston Conservation District Lead Entity

Amy Hatch Winecka also provided testimony for the Thurston Conservation District Lead Entity along with Jeannie Kenny and Roy Iwai. This group presented one project requesting \$1,306,900 in funding. There were no projects of concern on this list.

Amy highlighted this project and reasons to fund it. She had concerns about the Not Applicable (NA) that they received for only submitting one project.

Jeannie and Roy also provided input on this project.

Chair Ruckelshaus asked about splitting this project into two separate projects.

Amy reported that this would be possible although it would not open as much habitat as the larger reach being opened is the second blockage.

Grays Harbor County Lead Entity

Lee Napier provided testimony for the Grays Harbor County Lead Entity. This group presented twelve projects requesting \$3,085,050 in funding. There were three projects of concern on this list.

Lee does not agree with the staff recommendation for the second increment of funding. She believes the Review Panel did a good job but that they didn't have good direction

on what to do with the coastal lead entities. Lee met with the Review Panel three times. She would like the Board to fully fund through project number six.

The Chair thanked Lee for her clear testimony.

Tim Smith believes the Board will hear similar testimony from Pacific County.

Pacific County Lead Entity

Mike Johnson, Don Ammon, and Key McMurray provided testimony for the Pacific County Lead Entity. This Group presented six projects requesting \$1,146,606 in funding. There were no projects of concern on this list.

Don addressed the strategic plan and process.

Mike reiterated what others have voiced concerning the coastal lead entities without listed species.

Chair Ruckelshaus noted the federal thinking that funds should be spent on listed species. He believes funding should be spent to protect those areas that aren't listed and fortunately our state Legislature has given us the flexibility in the funds to fund areas without listed species.

Mike thanked the Review Panel and urged the Board to fund project number five.

Lower Columbia Fish Recovery Board

Jeff Breckel and Teresa Washburn provided testimony for the Lower Columbia Fish Recovery Board. This group presented twenty-one projects requesting \$2,054,362 in funding. There were seven Projects of concern on this list.

Jeff provided a handout outlining the Lower Columbia's testimony and reviewed the projects of concern on the list.

This group would like to see the POC labels removed. When asked what funding line they would look for, Jeff responded that they would like to fund anywhere from project number eight through sixteen.

Island County Lead Entity

Kim Brendenstiner and Michael Waite provided testimony for the Island County Lead Entity. This group presented five projects requesting \$921,860 in funding. There were no projects of concern on this list.

Kim requested full funding for the fourth project.

Michael Waite, Washington Trout, discussed the coded wired tagged fish project. Even if this project was only partially funded the project could still be completed on a limited basis.

San Juan County Lead Entity

Barbara Rosenkotter and Kit Rawson presented for the San Juan County Lead Entity. This group presented four projects requesting \$350,494 in funding. There was one project of concern on this list.

The POC is a multi-year proposal working off past information gathered. The Review Panel listed this as a one-year study. This group urged the Board to fund all four projects in San Juan County.

Larry Cassidy noted that through the Pacific Salmon Commission work, the project of concern work should get done.

Nooksack Lead Entity- WIRA 1

John Thompson and Alan Chapman provided testimony for the Nooksack Lead Entity. This group presented five projects requesting \$1,883,232 in funding. There were no projects of concern on this list.

Alan, the new Lead Entity Coordinator, provided an overview of the process and list for WRIA 1.

John spoke on the POC, East Acme Farm Community Restoration; this project came out of a past SRFB funded project.

Skagit Watershed Council Lead Entity

Shirley Solomon provided testimony for the Skagit Watershed Council Lead Entity. This group presented nine projects requesting \$2,461,173 in funding. There were no projects of concern on this list.

Shirley provided an overview and brief history of the Skagit Watershed Council and the list they were presenting.

Discussion:

As the Chair needed to leave before the meeting concluded he checked with the Board on criteria for staff to look at before day-two decision-making.

Tim Smith noted the need to first decide on option A or option B.

The Chair noted that option B leaves out several lead entities.

Jim Peters prefers option A.

Steve Tharinger is not as much concerned with option A or B but wondered if staff could flatten the groupings out more.

Larry Cassidy prefers option A and agrees with Steve on flattening it out more. He would reward the number-one lead entity.

Jim Fox showed the Board different spreads that staff have worked on the ranges with a 3.4 to 1 ratio, a 2.4 to 1 ratio, and a 1.8 to 1 ratio.

Director Johnson noted that the funding changes wouldn't move the funding line that much.

Larry would like to see a couple different options, providing the top ranked lead entities with additional funding.

Larry is concerned with partial funding so the Board needs to figure out how to get the most benefit for fish. Decisions should be based on:

- Largest cost share, and
- Percent of partial funding.

The Board needs to give staff a list of things to weigh on cusp projects:

- Projects as close to full funding as possible,
- Look at where projects are on the lead entity list, and
- Whether the lead entity is in the top grouping or a lower group.

Dick Wallace noted another criteria for staff to look at, if a project is within 50% of funding with a fund cap amount of \$100,000, then look at special cases.

Brenda noted that the Board has been working to have the strategies get to the point they are now and she would like to keep the option that shows support of the local process. She is a fan of the spread and would advocate, if looking at funding partially funded projects, going to the lead entity groupings (1 and 2).

The Chair asked staff to provide three options for the Board to discuss in the morning.

Dick Wallace clarified that he meant if the partial funding is 50% of the amount requested from the SRFB.

Jim Peters said he was looking at the flattening out of the lower groups. He would support Dick's 50% rule.

Steve Tharinger said that as the Board looks at the discretionary funding, they look at rewarding those lead entities that did good work.

Chair Ruckelshaus asked Director Johnson about the amount of funding available.

Director Johnson reported there was \$26 million available for this grant round.

Chair Ruckelshaus would like to see on-the-cusp projects, the difference between projects with listed and non-listed species.

Director Johnson asked if there was anything the Board wants to do with any specific projects of concern?

Brenda McMurray does not believe she has enough knowledge one way or another to make a change on any of the POCs.

Larry Cassidy reported that he is going to bring up some projects of concerns that he will ask the Board to fund.

Jim Peters doesn't have a problem in reviewing the POCs.

Chair Ruckelshaus does not want to fund POCs.

Steve would suggest not looking at funding the POCs until the 3rd increment.

Jim Fox asked where Thurston County ranks due to only having one project?

Neil Aaland asked if the Board wants to consider Yakima as a regional board or not?

Chair Ruckelshaus noted that this brings up more concerns. They can't apply this year but it gives something for the ITF to work on.

Brenda McMurray and Steve Tharinger agree.

Larry wants to see three options.

Steve noted that some of the lead entities were okay with partial funding and that might be an option to look at.

Brenda asked about criteria for rounding out projects.

Chair Ruckelshaus left for the day.

CONTINUATION OF LEAD ENTITY TESTIMONY:

Stillaguamish Lead Entity- WRIA 5

Sean Edwards provided testimony for the Stillaguamish Lead Entity. This group presented five projects requesting \$1,509,132 in funding. There were no projects of concern on this list.

Sean would suggest going with option A. He is concerned with the flattening as that may affect their list significantly. He hopes the forth and fifth projects get fully funded.

Sean believes each lead entity should have at least one project funded on their list unless it is a project of concern. It is very important to support the community efforts.

Snohomish County Lead Entity- WRIA 7

Martha Neuman and Tim Wahls provided testimony for the Snohomish County Lead Entity. This group presented eight projects requesting \$1,778,100 in funding. There are no projects of concern on this list.

Martha urged the Board to fully fund the fourth project on their list. This is a good project with a very successful sponsor. She encouraged the Board to not flatten the curve.

King County Lead Entity- WRIA 8

Mary Jorgensen provided testimony for the King County Lead Entity. This group presented two projects requesting \$1,523,921 in funding. There were no projects of concern on this list.

Mary reviewed past SRFB funded projects in the area and projects on the list requesting funds.

The partially funded project could be done with this partial funding. The regional issue does need to be looked at in round seven.

King County Lead Entity- WRIA 9

Doug Osterman provided testimony for the King County Lead Entity. This group presented six projects requesting \$1,336,296 in funding. There were no projects of concern on this list.

Doug appreciated this year's process. This group did take up the offers from the Review Panel to visit projects. He suggests the Board continue to use the Review Panel as was used this year.

Doug reviewed the process used in his WRIA.

Doug support increments one and two going with option A. He believes there is more flexibility for the Board to use in increment three per discussion at the December 2005 meeting.

This group would like the Board to fully fund through project five on their list.

Open Public Comment:

Before the public testimony was provided on the Hood Canal Union River proposal Chair Ruckelshaus commented that this is the first time the Board has had such a vocal conflict. The Chair doesn't see how the Board can make a decision on this project in the next day. There are legal issues that need Attorney General response. He would like to hear the testimony but it needs to stick to the issue. There is also an IAC issue involved with this project. He asked staff to come back with the issues (legal, process, and community). The Board needs to be more fully informed.

Steve Tharinger concurs with the Chair in that he would like staff to come back with answers to some of the questions.

Brenda noted that in the past, there have been projects that the Board has put conditions on. This may be an option to reserve the funding but condition to get answers to the questions the Board has on this project.

Director Johnson stated that staff will not be able to bring the answers to the Board tomorrow but could come back at a later meeting.

Union River Project:

Lee Saboda, private citizen, is frustrated due to the lack of local openness and accountability on this project. The application is wrong and efforts to correct it are still not right. Citizens have been removed from the meetings. One of the three owners has been denied a seat on the [School] Board. Breaching and removing of dikes are two different issues. He cannot say whether or not there is community support as there hasn't been any community openness. He can't say whether or not he would support this project, as he hasn't heard enough about it but would like to see this project deferred to the seventh round.

Ken VanBuskirk, citizen and North Mason School Board, although comments are not as a school board director but as a private citizen. He disagrees with Mr. Brocksmith and Mr. Watson that the community issue has been taken care of and has concerns with the funds being spent. If the process was opened and transparent he thinks the project could have value but maybe not in that location.

Cheryl Mongovan is in support of Union River project. People are here because they believe in and support salmon recovery. The process recognizes the groups with expertise in developing and processing projects. This project covers important items:

- Land owner willingness
- Estuary restoration
- There are some concerns with community input but also need to give weight to the process that has already happened to get the projects to this point before the Board.

Randy Netherland expressed that everybody represents somebody and can disagree but still represent. He listed everything he is involved in. He is here to represent the Mary Theler Wetlands and expressed some problems and issues his board has. His group did not find out about this grant until late in the process. Don't know about the match or the cost to get the restoration done. He is not here to say fund or not fund but to share the concerns with the SRFB.

Neil Werner wants to clarify that this is an acquisition project not restoration, although this may come about in a later phase. He has worked with the SRFB for many years and the RFEG has a good track record for completing projects on time and within budget. Project sponsors have been as open as possible in developing this project. One of the concerns is whether the dikes are on the subject property or not. He is

researching the answer. This is just one of the concerns. Sponsors are answering the questions as they come up but as they answer one question a new one comes up.

Bruce Landrum discussed the Governor's GMAP process and how his experience has been opposite from the Governor's process. Citizens don't understand this process and he didn't know the chain of command so he elevated his concerns to the SRFB in December 2005. Once public funds go into a private entity the accountability goes away. He appreciated the opportunity to talk to the Board and feels that his testimony during the December meeting was the first chance he had to be heard.

San Juan County:

Russell Barsh noted that the assessment (a POC) is a two-year project with three years of data. This is a continued project from a previously SRFB funded project. They are getting lots of fish in the area from many different sites. They are sending fin clips out to find where the fish are coming from because they are feeding in this area. This is about endangered species. It is urgent to fund this project. This is about mobilizing energy and community support.

Steve Tharinger asked if this would lead to other projects?

Russell noted yes. If able to identify any endangered species he will be first in line to do projects to protect the beaches.

Brenda asked if the data collected to date been used.

Russell noted yes, he is feeding information to several different databases but it has not been published yet.

Larry informed the Board that the coded wire tag is going away and this is the new way to gather data.

Quinalt:

Director Johnson noted that John Sims was prepared to answer an additional question from Quinalt.

Jim Peters clarified why Paradise Pond was below the other projects. The failure that occurred failed after they submitted their project.

Other:

Madrona Murphy citizen of San Juan County has concern with one of the projects on the San Juan list that was taken off the POC list, the assessment and protection of Kelp in San Juan County. She does not believe this was an open process or a good process.

The meeting recessed at 7:30 p.m.

SALMON RECOVERY FUNDING BOARD

MINUTES - REGULAR MEETING

January 5 & 6, 2006

Red Lion Hotel, Evergreen Ballroom
Olympia, Washington

Day 2

SALMON RECOVERY FUNDING BOARD MEMBERS PRESENT:

William Ruckelshaus, Chair	Seattle
Brenda McMurray	Yakima
Steve Tharinger	Clallam County
Larry Cassidy	Vancouver
Jim Peters	Olympia
Mark Clark	Director, Conservation Commission
Dick Wallace	Designee, Department of Ecology
Tim Smith	Designee, Department of Fish and Wildlife

Chair Ruckelshaus reconvened the meeting at 8:30 a.m.

The Board received a special presentation by the Komachin Middle School students with their artwork.

Kathleen Barkis, IAC Receptionist and mother of Annie Barkis, introduced the Teacher, Annette Wells.

Annette Wells explained that Language Arts and Science teachers teamed together and took a trip to Kennedy Creek Trail. The students then created art pieces and poems about what inspired them about the salmon experience.

Annie Barkis, Cody White, and Danny Ziegler shared their poems. Mandy Angle explained her art piece and Allie Kamenz read the lines that inspired her artwork.

Chair Ruckelshaus thanked the students and presented a certificate of thanks to Ms. Wells and Kathleen Barkis.

Dick Wallace also thanked the students and noted his daughters, who are now 24, attended Komachin Middle School.

Larry Cassidy told a story about how far the fish actually travel in that a wire tagged fish from Idaho was caught in Russia.

2005 GRANT ROUND - DECISIONS:

Laura Johnson, Jim Fox, Neil Aaland and Mark Jarasitis presented this agenda item. (See handouts for details.)

After day one of the meeting, staff took the Board's guidance and created three scenarios with three options for the Board to make its decisions today.

Director Johnson explained the spreadsheet and how the options were developed.

The Board discussed the different options and how the projects fall out in the different funding scenarios.

Mark Jarasitis introduced Robbie Marchesano, our new Financial Analyst.

Tim Smith thanked staff for the materials that have been provided. It has helped facilitate this process immensely.

Per yesterday's discussion, staff discussed scenarios in the second increment.

Larry **MOVED** to approve the Medium Spread (Option B) and the Largest Match Percentage on the unfunded projects (known as YY). Jim Peters **SECONDED**. Board **APPROVED**.

Hood Canal Coordinating Council

Tim Smith announced that the sponsors of the Union River Estuary Acquisition project have asked to remove this project from decision in this grant round and bring it back in the next round once questions are answered. Tim requested the Hood Canal list be moved down to cover this change.

Larry would like discussion on this. Just because they withdraw a project it doesn't automatically give them another project on the list.

Chair Ruckelshaus noted two thoughts. Gaining another project is not automatic; it is within the Board's discretion. If the first project were not on the list then the other two presumably would be.

The Board scenario funds Hood Canal's projects two through seven, removing project one from the list. (05-1602, Klingel Estuary Restoration; 05-1603, Richert Ranch Conservation Easement; 05-1606, Dosewallips Estuary Restoration Phase 2; 05-1608 Belfair State Park Estuary Restoration; 05-1611, Brown Creek Road Decommissioning; 05-1612 Big Quilcene ELJ Restoration).

Larry Cassidy **MOVED** to fund Hood Canal projects two through seven. Brenda McMurray **SECONDED**. Board **APPROVED** the list as amended.

Klickitat County Lead Entity

The Board scenario funds projects one through four on the list (05-1594, Klickitat Floodplain Restoration Phase 2; 05-1622, Lower White Creek Habitat restoration; 05-1607, Tepee Creek- IXL Meadows Restoration; 05-1626, Klickitat RM 12 Habitat Restoration).

Larry Cassidy **MOVED** to fund Klickitat's projects one through four. Jim Peters **SECONDED**. Board **APPROVED** list as presented.

Nisqually River Lead Entity

The Board scenario funds projects one through three on the list (05-1526, Manke Shoreline Acquisition; 05-1528, Kist Shoreline Acquisition; 05-1503, Lower Ohop Creek Restoration, Phase 1).

Larry Cassidy **MOVED** to approve Nisqually's projects one through three. Brenda McMurray **SECONDED**. Board **APPROVED** list as presented.

Pierce County Lead Entity

The Board scenario funds projects one through five on the list (05-1480, Bee Spit Honey Acquisition/Restoration; 05-1483, Soler Farms Acquisition; 05-1466, Lower Boise Creek Construction; 05-1467, Greenwater River LWD Treatment; 05-1488, Calistoga Oxbow Project).

Larry Cassidy **MOVED** to approve Pierce County's projects one through five. Brenda McMurray **SECONDED**. Board **APPROVED** list as presented.

Snohomish County Lead Entity (WIRA 7)

The Board scenario funds projects one through eight on the list (05-1514, Smith Island Estuary Acquisition; 05-1511, Snohomish Estuary Edge Enhancement Project; 05-1521 Raging River Preston Reach Restoration/ Acquisition; 05-1513 Cascade Land Conservancy; 05-1362, Camp Gilead off-channel Reconnection; 05-1515, Cherry Creek Floodplain Restoration; 05-1522 Tolt River San Souci Reach Acquisition; 05-1601 Snohomish river Shoreline Restoration).

Larry Cassidy **MOVED** to approve projects one through eight. Brenda McMurray **SECONDED**. Board **APPROVED** list as presented.

Stillaguamish Lead Entity (WIRA 5)

The Board scenario funds projects one through five on the list (05-1560, Stillaguamish Riparian Restoration Crew 2; 05-1564, Primary Sources of fine Sediment; 05-1605 North Meander Reconnection, Phase II; 05-1588, Segelsen Road Erosion Control Project; 05-1628 NF Stillaguamish Road Relocation & LWD).

Larry Cassidy **MOVED** to approve Snohomish project one through five. Brenda McMurray **SECONDED**. Board **APPROVED** list as presented.

Director Johnson clarified that the Board has completed action on group A of Lead entity list. The next six lead entities will be adopted under group B.

King County (WRIA 8)

The Board Scenario finds projects one (05-1372, Cedar River-Belmondo Reach).

Larry **MOVED** to approve the amount of \$900,621 for King 8, project one and would like to have discussion on project two. Jim Peters **SECONDED** the \$900,621.

Discussion:

This scenario provides less than the original option. The lead entity had testified that they would be willing to take partial funding for their second project as they could still purchase some of the areas.

Brenda would like to amend the motion to fully fund project number two, Middle Issaquah Creek Conservation.

Larry would not be interested in fully funding this project.

Steve Tharinger accepts the original motion but would like to come back to the Issaquah Creek project at a later time.

Larry is not against partially funding this but would not want to fully fund this project.

The Board agreed they would come back to the second project during the third increment funding decisions.

Board **APPROVED** the King 8 list as amended to fund \$900,621 for the first project.

King County (WIRA 9)

The Board scenario funds projects one through four (05-1398 Fenster Levee Setback Phase 1; 05-1519 Mill Creek confl./Geen River Restoration Study; 05-1471 Beaconsfield on the Sound Feasibility; 05-1357 Ellis Creek Estuary Restoration and Acquisition).

Larry Cassidy **MOVED** to approve projects one through four. Brenda McMurray **SECONDED**. Board **APPROVED** King 9 list as presented, funding the first four projects on the list.

Pend Oreille Conservation District Lead Entity

The Board scenario funds projects one through five (05-1443, Granite Creek Watershed Assessment; 05-1448, Cedar Creek Culvert Replacement; 05-1447, Indian Creek Yates Restoration Project; 05-1445, Tacoma creek Passage Project; 05-1446, South Fork Tacoma Creek Fish Passage.)

Larry Cassidy **MOVED** to approve Pend Oreille's projects one through five. Brenda McMurray **SECONDED**. Board **APPROVED** list as presented.

Snake River Lead Entity

The Board scenario funds projects one through six with project three being withdrawn (05-1536, Hofer Dam Fish Passage Project, Phase 2; 05-1565, South Fork Coppei Conservation Easement; 05-1495, Touchet River Consolidation; 05-1544, Asotin county Fish Screen Projects; 05-1498, Curl Lake Intake fish Barrier Removal).

Larry Cassidy **MOVED** to approve Snake River's projects one through six with the exception of project three. Jim Peters **SECONDED**.

Brenda referenced Review Panel members to Scott Nicolai's remarks on a project on this list that the Board doesn't have enough information on, and said this is a project the Board would not have funded in the past.

Board **APPROVED** Snake River's list as presented, funding projects one through six.

Larry Cassidy asked Brenda which project she was concerned about.

Brenda noted that the project is George Creek (number seven).

Nooksack Lead Entity (WRIA 1)

The Board scenario funds projects one, two, four and five (05-1569, South Fork Nooksack Instream Restoration; 05-1580, Smuggler Slough Estuary Restoration; 05-1512, Lower Canyon Creek Assessment/Design; 05-1450, Focus on the North Fork: Side Channels).

Larry Cassidy **MOVED** to approve four of the five projects on the Nooksack list. Jim Peters **SECONDED**.

Discussion:

Chair Ruckelshaus noted that the issue with the project of concern was community support. Although there is a strong salmon recovery effort in WRIA 1, this is still a difficult project for the Board to fund with its size. Not funding will create some hardship in that lead entity. He is not asking to amend this list but just wanted to note concern.

Board **APPROVED** the Nooksack list, funding projects one, two, four and five.

Yakima River Basin Lead Entity

The Board scenario funds projects one and two on the list (05-1571, Easton Reach Habitat protection, Phase 2; 05-1572, NF Teanaway Floodplain, Phase 2).

Larry Cassidy **MOVED** to approve Yakima projects one and two. Jim Peters **SECONDED**.

Discussion:

Brenda noted that at this level, it is less than they received last year although they have made great strides this year and is requesting the Board to fund project three; (05-1573, Currier Creek Passage & Riparian).

The Chair suggested holding this as another project to look at in the end.

Board **APPROVED** Yakima's list to fund projects one and two and include project three to the conditional funding list.

Chelan County

The Board scenario funds projects two through six (05-1546, Gagnon CMZ Off-Channel Habitat Project; 05-1591, Entiat Instream Habitat Improvements; 05-1552, Nason Creek Off-Channel Habitat Restoration; 05-1509, Skinney Creek Culvert Replacement Project; 05-1614, Beebe Creek Channel Reconfiguration).

Larry Cassidy **MOVED** to approve Chelan's project two through six on the list. Steve Tharinger **SECONDED**.

Board **APPROVED** Chelan's list as presented, funding projects two through six.

Larry is concerned with the number one project on this list being a POC and is not sure why. One of our staff needs to find out why we cannot get this one funded because it is an important one.

Island County Lead Entity

The Board scenario funds projects one through four on the list (05-1479, Livingston Way Nearshore Acquisition; 05-1475, Skagit Basin Nearshore Feasibility Assessment; 05-1491, Ala Spit Feasibility Assessment; 05-1478, West Whidbey Nearshore Fish Use Yr 2).

Larry Cassidy **MOVED** to approve Island County projects one through four. Jim Peters **SECONDED**.

Chair Ruckelshaus wants to make sure Bruce Crawford is involved in these assessments to make sure they are coordinated and the correct data is collected. There is a University group working on data collection and the type of data needed and the order it is needed.

Board **APPROVED** Island County projects one through four.

East Kitsap Lead Entity

The Board scenario funds projects one and two (05-1389, Chico Creek Property Acquisition; 05-1437, Beaver Creek Estuary Restoration).

Larry Cassidy **MOVED** to approve East Kitsap projects one and two. Jim Peters **SECONDED**.

Discussion:

Steve Tharinger would like to speak to the motion and is not in favor. He would propose adding funding for the Rocky Creek project.

Brenda concurs with Steve and would like to fund the third project.

Director Johnson is concerned that people are looking at yesterday's Option A, as that was just an example.

The Board discussed the amounts of funding.

Larry would like to approve the first grouping and put the third project on the conditional funding list.

Board **APPROVED** East Kitsap list as presented, funding projects one and two.

Mason County Lead Entity

The Board scenario funds projects one through five (05-1399, Frye cove bulkhead Removal; 05-1397, Skookum Inlet Estuary Restoration; 05-1442, Skookum Creek LWD, Phase II; 05-1424, Jarrell Cove Fish Passage Project, 05-1625 Wival Road Fish Passage Project).

Larry Cassidy **MOVED** to approve Mason projects one through five, covering all projects on this list. Brenda McMurray **SECONDED**.

Board **APPROVED** projects one through five, with Jim Peters recusing himself from the vote.

Quinault Nation Lead Entity

The Board Scenario funds projects one through four (05-1619, Sams River Decommissioning FS Road 2180; 05-1621, Quinault Indian Nation Comprehensive Culvert; 05-1629, Nutrient Status Assessment; 05-1630, Paradise Pond.)

Larry Cassidy **MOVED** to approve Quinault projects one through four. Jim Peters **SECONDED**.

Board **APPROVED** Quinault's list as presented, funding projects one through four.

San Juan County Conservation District Lead Entity

The Board scenario funds projects one, three and four. (05-1518, Assessment & Protection San Juan Salmon; 05-1497, SJC Salmon Habitat Protection Blueprint, 05-1518, Thatcher Bay Assessment and Design Study.)

Larry Cassidy **MOVED** to approve San Juan projects one, three, and four. Jim Peters **SECONDED**.

Discussion:

Steve Tharinger asked for background on the project of concern. He initially understood that the data was not in a time frame to be valuable, but this may not be the case.

Larry believes this is a project the SRFB should be involved with.

Chair Ruckelshaus noted that this is one of the types of projects he is concerned with.

Board **APPROVED** San Juan's list as amended, funding projects one, three, and four.

Skagit Watershed Council Lead Entity

The Board scenario funds project one (05-1615 Wiley Slough Estuarine Restoration).

Larry Cassidy **MOVED** to approve the Skagit project. Brenda **SECONDED**.

Discussion:

Steve Tharinger noted this is something that needs to be looked at in the next round to see if there is a way that better takes care of fish.

Chair Ruckelshaus believes this is a very important watershed and has a good list but does not have enough funds to fund the whole list, as there is so much need in the area.

Brenda would like the Board to consider adding Skagit to the conditional funding list to fund the next project.

The Chair expressed that we have been encouraging large projects and with large projects you get a bigger bill and need more funds.

Brenda noted that the landscape has changed and our projects are getting bigger but they are also getting better and the Board should feel good about funding this top rated projects.

Board **APPROVED** Skagit's list as presented, funding project number one.

Lower Columbia Fish Recovery Board

The Board scenario funds all projects with the exceptions of projects six, eight, nine, thirteen, fourteen, sixteen, and nineteen which are all projects of concern, (05-1504, Willow Grove Conservation; 05-1557, Regional Fish Barrier & Tidegate Assessment; 05-1541, Historic Skamokawa Ck Channel Assessment; 05-1547, Rauth: Coweeman Tributary Restoration; 05-1599, WRIA Based Project Development-Lwr Columbia; 05-1613, Cispus-Columbia springs Spawning Channel; 05-1549 Zmrhal's Coweeman River Project; 05-1590, Lockwood Creek Riparian; 05-1533, Doty- Edwards Cedar Creek; 05-

1595, Road Decommissioning NF Lewis Muddy; 05-1597, WRIA Based Project Development- Woodard Ck; 05-1566 Woods Creek Fish Passage Restoration; 05-1567, Zerr chum Channel Development; 05-1567, Nikka Creek Tidegate Upgrade).

Larry Cassidy **MOVED** to approve board scenario projects and would like to fund project eight; 05-1432 North Fork Toutle River Fish Passage & project nine; 05-1616, Influence of Carcass Analogs. Chair Ruckelshaus **SECONDED**.

Discussion:

The reason Larry promoted these projects is because he knows the Carcass Analogs projects. This project addresses a nutrient issue and may turn out to be significant to the problem of rivers that are flowing clean but salmon are still not coming back. The North Fork Toutle is a project that brings back fish.

Jim Peters asked about project number nine, he is in support of completing this project. His question is, will this be two different reports now and who is responsible?

Neil Aaland asked staff to get answers for Mr. Peters.

Director Johnson noted the Board could also add conditions on any approval of the project.

Jim Peters also noted the Review Panel's report on the concerns.

Brenda noted that the Board does not have enough information to grant funds to these two projects at this time and needs to depend on the Review Panel's work. She would rather look at process questions, as there are a lot of POCs on this list.

Tim Smith noted concern with project number nine. He would like the information from past work and would like to see this project approved.

Steve Tharinger noted that, as he understands, the Board funded this in the past and that this is more of a request for additional funds to complete this project.

Neil noted the amendment process the Board has established and will work through this process to amend the original proposal.

Steve asked if this project has gone through that review for an amendment?

Neil noted that this project would represent a scope increase as well as a cost increase.

Chair Ruckelshaus noted the he is very concerned about the number of POCs on this list as this area has a regional plan approved and this shows that something is not working.

Larry Cassidy would like to **MOVE** to amend his motion and approve only board scenario projects approving \$1,218,858. Steve Tharinger **SECONDED**.

Board **APPROVED** Lower Columbia list as originally presented.

Grays Harbor County Lead Entity

The Board scenario funds projects one through three (05-1502, Wishkah Road Sediment Control; 05-1505, WRIA 22 and 23 culvert Assessment; 05-1523, Dry Bed Creek Culvert Replacement).

Larry Cassidy **MOVED** to approve Grays Harbor projects one through three. Jim Peters **SECONDED**.

Board **APPROVED** Grays Harbor list as presented, funding projects one through three.

Okanogan County Lead Entity

The Board scenario funds projects one, two, and three (05-1632, Methow Valley Irrigation District- West; 05-1624, Methow Valley Irrigation District- East; 05-1469, Twisp River Conservation Acquisition).

Larry Cassidy **MOVED** to approve projects one, two and three. Jim Peters **SECONDED**.

Chair Ruckelshaus pointed out that their fourth project is large so it is hard to get the level to fund this project.

Steve noted that there is substantial match.

Board agreed to put project number five (05-1435, Methow Riparian Protection III) on the conditional funding list.

Board **APPROVED** Okanogan list as presented, funding projects one, two and three.

North Olympic Peninsula Lead Entity

The Board scenario funds projects one and two (05-1485, Deep Creek Roads Decommissioning and Sediment; 05-1484, IMW Final Restoration Treatments).

Larry **MOVED** to approve projects one and two. Steve Tharinger **SECONDED** with understanding to put project three (05-1489, Hoko river Salmon Habitat Restoration) on the conditional funding list.

Board **APPROVED** North Olympic list as presented, funding projects one and two.

Pacific County Lead Entity

The Board scenario funds projects one through four (05-1563, Portman LWD Project; 05-1561, Pentilla LWD Project; 05-1556, Sagmiller LWD Project; 05-1538, Willapa Watershed Assessment; 05-1583, North River Culvert Replacement).

Larry **MOVED** to approve projects one through four. Brenda **SECONDED**.

Board **APPROVED** Pacific County list as presented, funding the first four of five projects.

Thurston County Conservation District Lead Entity

Larry asked for clarification as on this scenario as Thurston County would not have an amount to apply.

Director Johnson explained that this lead entity only had one very large project, staff was not sure how to fund this project. She noted the formula used to come up with the \$626,860; this amount is included in the total funding amount of \$24,482,148.

Larry has a note that partial funding would work for this project, as there are two culverts. The first culvert would open up .5 miles the second would open 1 mile for a total of 1.5 miles.

Chair Ruckelshaus made a **MOTION** to move Thurston County to the Conditional funding list. Larry Cassidy **SECONDED** with the understanding that the Board will get some information as what the cost of what one culvert would cost.

Conditional Funding Decisions:

Chair Ruckelshaus clarified that the Board will take the list and combine the totals, then make some determination as to what is left.

Director Johnson noted the list of projects that were on the conditional funding list. King 8, 05-1366, Middle Issaquah Creek Conservation; Yakima River, 05-1573, Currier Creek Passage & Riparian; East Kitsap, 05-1395, Rocky Creek Barrier Replacement; Skagit, 05-1520, Elysian Meadows Protection/Restoration; Lower Columbia, 05-1432, North Fork Toutle River Fish Passage and 05-1616, Influence of Carcass Analogs; Okanogan, 05-1435, Methow Riparian Protection; NOPE, 05-1489, Hoko river Salmon Habitat Restoration; all or a portion of Thurston Counties number one project 05-1623, Ellis Creek Fish Passage Restoration; and Hood Canal, 05-1611, Brown Creek Road Decommissioning.

Chair Ruckelshaus made a **MOTION** to approve King County 8 project two, Yakima project three, Skagit project two, Lower Columbia project nine, NOPE project three, and \$598,000 for Thurston County project one totaling \$2.4 million dollars.

Larry Cassidy **SECONDED**.

Discussion:

Dick noted that he had talked to the project sponsor for Thurston County. The first half-mile is important for other issues including educational benefit for the public.

Director Johnson noted that the total approved before the Chair's motion is \$23,925,570. Adding conditional funding projects will be just under \$2.4 million. The remaining balance is \$292,915.

Brenda moved an amendment to approve East Kitsap project number three.

Steve Tharinger **SECONDED**. The amendment was accepted.

Board **APPROVED** the main motion, as amended to include East Kitsap project three.

Public Testimony:

Richard Visser addressed concern with the funding of the additional project but would like to see the process simplified as it seems like the process is getting more complicated.

Chair Ruckelshaus agreed with the need to simplify the process although it is easier said than done, as this is a complicated process.

Richard volunteered someone from the Yakima Lead Entity to sit on the ITF.

John Sims, Quinault Nation LE, wanted to be on the record that he misstated the information on project five, Lower Higley Creek, and in reality this project was a major blocker and that the next blockage is not a total blockage. He would ask the Board to consider giving this project a provisional acceptance to fund if another project drops off the list in the next short period of time.

Brenda asked if this project is on private land.

John noted that yes it is.

Brenda thought it might be eligible through other fund sources such as FFFPP.

Director Johnson noted that after Board actions today, staff would add up projects and numbers to send out by press release. Susan Zemek has a communication plan to explain the local and statewide impacts of these projects.

AGENDA TOPICS FOR 2006:

Laura Johnson presented this agenda item. (See notebook item #10 for details.)

The next meeting is April 6 & 7, 2006, this meeting will focus on the 7th Round.

Director Johnson brought SRFB's grant managers forward to introduce them. Adding Leslie Ryan-Connelly to cover Pierce County and Marc Duboiski will be assisting Darrell Jennings with King County.

Chair Ruckelshaus thanked Director Johnson and noted that Marc will be missed.

Dick Wallace thanked Steve Leider as well.

7th ROUND UPDATE:

Neil Aaland presented this agenda item. (See notebook item #11 for details.)

There is a meeting scheduled with LEAG on January 20, 2006 and Neil will meet with them to continue to work through the questions. He will then meet with the Council of Regions and get its concerns. Once he gathers information he will brief Steve Tharinger and begin the next step of the process.

Steve sees two or three two-day meetings getting through the questions by the end of March 2006 unless it looks like the process needs to be extended due to the number of issues. He would like to involve NOAA along with GSRO, LEAG, and Council of Regions.

Chair Ruckelshaus asked Steve to get the list of issues to the Board and the Board to get questions, concerns, and suggestions for members to be included on the team and get them to Steve as soon as possible.

Brenda wants to have integration of Lead Entities and Regions to keep the buddy system and communication open on this issue. These are all the partners that we need to make this work.

Director Johnson thanked the Board for the effort it takes to get through the last two days.

Chair Ruckelshaus thanked the lead entities and lead entity coordinators. This is a tough process but their work is essential for success. The Board will try to simplify in the future but it still won't be simple and easy.

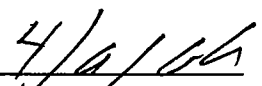
The Chair also thanked the Board members and especially the non-voting members. He values their work.

ADJOURNED

Meeting adjourned at 12:46 p.m.

SRFB APPROVAL:


William Ruckelshaus, Chair


Date

Future Meetings:	April 6 & 7, 2006	Maple Hall, LaConner
	June 8 & 9, 2006	Marcus Whitman Hotel, Walla Walla